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DE RUEHRL #1422/01 2950627  
ZNY CCCCC ZZH (CCY ADXEC8532 MSI1045 540A)  
P 210627Z OCT 08 ZDS  
FM AMEMBASSY BERLIN  
TO RUEHC/SECSTATE WASHDC PRIORITY 2411  
INFO RUCNFRG/FRG COLLECTIVE

C O N F I D E N T I A L BERLIN 001422

C O R R E C T E D C O P Y///REMOVED MTCR COLLECTIVE//

SIPDIS  
STATE FOR ISN/MTR (PAM DURHAM) AND EUR/CE

E.O. 12958: DECL: 10/20/2033  
TAGS: [MTCRE](#) [PARM](#) [PREL](#) [KSCA](#) [TSPA](#) [ETTC](#) [FR](#) [AS](#) [GM](#)  
SUBJECT: GERMANY REQUESTS FEEDBACK ON MTCR EXPORT CONTROL SEMINAR PROPOSAL

Classified By: Global Affairs Unit Chief Don L. Brown for reasons 1.4 (b) and (d).

¶1. (U) THIS IS AN ACTION REQUEST. PLEASE SEE PARA 4.

¶2. (C) On October 17, MFA Export Control Division Desk Officer Nancy Reck provided EconOff with the text of the German "Proposal for an Export Control Seminar on Risk Assessment in Licensing." Due to the rapidly approaching MTCR Canberra Plenary in early November, Reck requested USG feedback on the proposal at the earliest possible opportunity. In particular, Reck would welcome feedback regarding the proposed target audience of the seminar - members of all regimes (MTCR, NSG, Wassenaar, and Australia Group) and countries that have formally adhered to the guidelines of the relevant regimes. As an example of countries that fall in the category of having formally adhered to the guidelines of the relevant regimes, Reck mentioned India, China, and Israel. Reck stated that after receiving all desired feedback on this proposal from Small Group members, Germany would forward this proposal to Russia, Brazil, and South Africa for review.

¶3. (C) Begin German nonpaper:

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Proposal for an Export Control Seminar on  
Risk Assessment in Licensing

The export control system faces increasing challenges in an environment of globalization, technological progress and continued threats posed by proliferation and terrorism. UNSCR 1540 includes a broad catalogue of elements in order to secure effective export controls beyond the member states of the export control regimes. Aside from the need for an up-to-date export control legislation, great importance must be attached to the practical implementation of export control rules and regulations. In our daily work of export controls we always depend also on an exchange of views and experiences on practical matters of export controls. Although we deal with practical aspects already periodically in our export groups, we believe it is useful to get together in order to address some of the crucial elements of daily export control practices in more detail.

Taking up the examples of MTCR-workshops in earlier years and bearing in mind our good experience with the Berlin Export Control Seminars in 2003, 2004, and 2006 on aspects and challenges to export controls we propose to have a more in-depth exchange of views and information on risk assessment in licensing. An efficient risk assessment is a crucial element in our licensing procedures and relevant for all goods controlled by all export control regimes.

Germany is prepared to organize and host an "Export Control Seminar on Risk Assessment in Licensing" in Berlin on 11 - 12

May 2009. The seminar should be open to members of all export control regimes (MTCR, NSG, AG, WA) as well as to countries which have formally adhered to the guidelines of the relevant regimes. Due to the sensitivity of the topic we would not invite other outreach partners. We invite partners to comment on the outline of the envisaged seminar and actively participate in the seminar. If this proposal were to be adopted by the Canberra Plenary, we would circulate the Seminar Outline also in the other export control regimes' meetings (NSG CG Meeting in November 2008, Wassenaar Plenary Meeting in December 2008; Australia Group members will be informed via AGIS).

#### Seminar Outline

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The 2009 Seminar on Risk Assessment in Licensing is supposed to:

- give a review of the risks in the licensing procedure and of the license process itself,
- review ideas on how to reduce the length of the licensing process and how to solve legal problem,
- give an opportunity to present best practices for industry and governments.

#### 1) Objective of the Seminar

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The aim of the seminar is to show the importance of effective risk assessment in the licensing process. Additionally, it endeavors to present practical strategies in controlling good and technology in global trade and to find solutions for potential problems within this scope. The seminar intends to give all participants a better understanding of the need for an effective risk assessment systems in the face of new

threats.

A documentation on the seminar with all presentations and summary of the results will be provided to all participants.

#### 2) Seminar Structure

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The seminar focuses on the key aspects of the licensing process: the pre-license phase, the application procedure and the post-license phase. In this scope the various entities involved in the export environment and their roles within these three phases as well as the relevant risks in the licensing process should be worked out, e.g. the risk followed from a false or incomplete information, from false evaluation of plausible information or from a lack of essential information. In this field the following topics might be discussed:

##### -- Legal frame of the licensing procedure

This could give the prospect to present the global framework that exerts influence on the national licensing procedure and especially on the risk evaluation. Furthermore the effects of globalization on world trade and requirements for the licensing procedure as well as for the risk evaluation should be considered.

##### -- Compliance

The two sides of the topic should be highlighted: on the one hand the compliance work of the authorities and on the other hand the opinion and contribution of the industry. Germany would greatly appreciate topical contributions from partners.

The presentations should give government representatives the opportunity to discuss ideas and present activities to achieve an efficient risk assessment, such as compliance management of the authorities.

##### -- Licensing Procedure

This topic will provide an opportunity to present national export control practices and experiences relative to risk assessment. Participants are welcome to give presentations and case studies concerning their national systems with a focus on their concepts of the licensing procedure (e.g.,

limitations to establish efficient systems for risk assessment).

-- Technical Aspects

The attention of the seminar's participate should also be tuned to technical features of the risk assessment. The requirement of technical experts, limits from the practical point of view concerning technical analysis and the plausibility of the application in the frame of the technical analysis could be dealt with under this topic. Again, presentations by participants are most welcome in order to deepen participants' understanding of the technical issues involved and their relevance and central role in the entire export control licensing process.

-- End-use Controls

End-use controls are crucial to limit the risks of proliferation of weapons of mass destruction by controlling transfers that could contribute to delivery systems for such weapons. It would be highly appreciated if speakers would present practical features by means of case studies of Best Practices, giving the audience a thorough insight into the issues arising from this topic and the various approaches to achieving the ultimate goal, namely the protection of legitimate security concerns. Within this scope the issue concerning End-use Controls Documentation should be dealt with.

-- Improvement

Even if regime partners have elaborated an efficient export control system, there is still enough room for improvement of risk assessment. Given the global technical progress and political developments, the requirement of efficient risk evaluation is always relevant, e.g. monitoring of technical efforts and of political developments in different countries as well as interagency cooperation.

3) Host, participation, venue

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The seminar is promoted by the Federal Ministry of Economics and Technology and the German Federal Office of Economics and Export Control (BAFA) in cooperation with the Federal Foreign Office.

Participation in this seminar will be at expert level. The seminar will give enough room for open and informal discussions. Presentations by participants are most welcome.

The seminar will take place in Berlin on May 11 and 12, 2009 (back -to-back with the 2009 MTCR Reinforced Point of Contact Meeting). Administrative details will be advised after adoption of this proposal.

End text of German nonpaper.

¶4. (SBU) ACTION REQUEST: Post requests Department guidance in responding to the feedback requested in paragraph 2.  
TIMKEN JR